



Order Filed on January 17, 2023
by Clerk
U.S. Bankruptcy Court
District of New Jersey

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

**Caption in Compliance with D.N.J. LBR 9004-1(b)
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Proposed Attorneys for Debtors and Debtors in Possession

In re:

BLOCKFI INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 22-19361 (MBK)

Jointly Administered

**Hearing Date and Time: January 17, 2023 at 10:00
AM ET**

**FINAL ORDER GRANTING DEBTORS' EMERGENCY MOTION FOR
ENTRY OF INTERIM AND FINAL ORDERS PURSUANT TO 11 U.S.C.
§§ 105(A) AND 363(C) AUTHORIZING THE DEBTORS TO (I)
CONTINUE, RENEW, OR SUPPLEMENT INSURANCE POLICIES,
(II) PAY INSURANCE PREMIUMS THEREON, (III) CONTINUE,**

DATED: January 17, 2023

Honorable Michael B. Kaplan
United States Bankruptcy Judge

**RENEW, OR SUPPLEMENT THE SURETY BOND PROGRAM, AND
(IV) GRANTING RELATED RELIEF**

The relief set forth on the following pages, numbered three (3) through six (6) is

ORDERED.

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Debtors: BlockFi Inc.

Case No. 22-19361 (MBK)

Caption of Order: FINAL ORDER GRANTING DEBTORS' MOTION FOR ENTRY OF INTERIM AND FINAL ORDERS PURSUANT TO 11 U.S.C. §§ 105(A) AND 363(C) AUTHORIZING THE DEBTORS TO (I) CONTINUE, RENEW, OR SUPPLEMENT INSURANCE POLICIES, (II) PAY INSURANCE PREMIUMS AND RELATED OBLIGATIONS THEREON, (III) CONTINUE, RENEW, OR SUPPLEMENT THE SURETY BOND PROGRAM, AND (IV) GRANTING RELATED RELIEF

Upon the *Debtors' Motion for Entry of an Order Pursuant to 11 U.S.C. §§ 105(a) and 363(c) Authorizing the Debtors to (I) Continue, Renew, or Supplement Insurance Policies, (II) Pay Insurance Premiums Thereon, (III) Continue, Renew, or Supplement The Surety Bond Program, and (IV) Granting Related Relief* (the "Motion")¹ and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 157 and Standing Order 12-1 (Simandle, C.J.), *Standing Order of Reference to the Bankruptcy Court Under Title 11*, dated September 18, 2012; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided; and it appearing that no other or further notice need be provided; and the Court having reviewed the Motion; and the Court having held a hearing (the "Hearing") on the Motion; and all objections, if any, to the Motion having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon the *Declaration of Mark Renzi in Support of the Debtors' Chapter 11 Petitions and First Day Motions* filed contemporaneously with the Motion, the record of the Hearing, and all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

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Debtors: BlockFi Inc.

Case No. 22-19361 (MBK)

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1. The Motion is **GRANTED** on a final basis as set forth herein.
2. The Debtors are authorized, but not directed to, in the exercise of reasonable business judgment, (i) continue to maintain all existing Insurance Policies (each an "Insurance Policy," and, collectively, the "Insurance Policies"), (ii) pay prepetition amounts due and owing related to the Insurance Policies, to the extent any amounts are due and payable, (iii) continue, revise, extend, renew, supplement, or change the Insurance Policies, or enter into new policies, if necessary, in the ordinary course of business, and (iv) continue to pay premiums for the Insurance Policies in the ordinary course of business to the extent they may become due and payable on a post-petition basis.
3. The Debtors are authorized, but not directed, to, in the exercise of reasonable business judgment, to (i) continue to maintain and perform under their Surety Bond Program (the "Surety Bond Program"), (ii) pay prepetition amounts due under the Surety Bond Program, (iii) review, extend, renew, supplement, or change the Surety Bonds under the Surety Bond Program, if necessary, in the ordinary course of business consistent with the Debtors' past practice, and (iv) continue to pay premiums for the surety bonds (the "Surety Bonds") in the ordinary course of business to the extent they may become due and payable on a post-petition basis.
4. The Debtors' banks and other financial institutions shall be and hereby are authorized and directed to receive, process, honor and pay all prepetition and postpetition checks, credit card payments, and fund transfers on account of the prepetition insurance obligations, provided that sufficient funds are on deposit in the applicable accounts to cover such payments. In

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Debtors: BlockFi Inc.

Case No. 22-19361 (MBK)

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doing so, the Debtors' banks and other financial institutions are authorized and directed to rely on

the representations of the Debtors as to which checks, credit card payments, and fund transfers are issued or authorized to be paid pursuant to this Order.

5. The Official Committee of Unsecured Creditors shall have consent rights for (a) any insurance payment on a prepetition amount over \$50,000.00 and (b) any renewal, modification, supplement, or change of an Insurance Policy/Surety Bond that results in an annual premium of \$50,000.00 or above.

6. Neither the provisions contained herein, nor any actions or payments made by the Debtors pursuant to this Order, shall be construed as: (a) an admission as to the validity of any claim against the Debtors; (b) a waiver of the Debtors' rights to dispute any claim on any grounds; (c) a promise to pay any claim; (d) an assumption or rejection of any executory contract or unexpired lease pursuant to Bankruptcy Code § 365; or (e) otherwise affecting the Debtors' rights under Bankruptcy Code § 365 to assume or reject any executory contract with any party subject to this Order.

7. The relief granted herein is limited solely to Surety Bonds constituting lending bonds issued by a surety in favor of the Debtors, and nothing in this Order applies to any money transmitter bonds issued by any surety in favor of the Debtors.

8. Notwithstanding anything to the contrary in the Motion, this Order, or any findings announced at the hearing, nothing in the Motion, this Order, or announced at the hearing constitutes a finding under the federal securities laws as to whether crypto tokens or transactions involving

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Debtors: BlockFi Inc.

Case No. 22-19361 (MBK)

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crypto tokens are securities, and the right of the United States Securities and Exchange

Commission to challenge transactions involving crypto tokens on any basis are expressly reserved.

9. The Debtors are authorized to take all actions necessary to effect the relief granted pursuant to this Interim Order in accordance with the Motion

10. Notwithstanding Bankruptcy Rule 6004(h), to the extent applicable, this Order shall be effective and enforceable immediately upon entry.

11. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

12. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

In re:
BlockFi Inc.
Debtor

Case No. 22-19361-MBK
Chapter 11

CERTIFICATE OF NOTICE

District/off: 0312-3

User: admin

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Date Rcvd: Jan 17, 2023

Form ID: pdf903

Total Noticed: 1

The following symbols are used throughout this certificate:

Symbol	Definition
+	Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.
#	Addresses marked '#' were identified by the USPS National Change of Address system as requiring an update. While the notice was still deliverable, the notice recipient was advised to update its address with the court immediately.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Jan 19, 2023:

Recip ID	Recipient Name and Address
db	#+ BlockFi Inc., 201 Montgomery Street, Suite 263, Jersey City, NJ 07302-5057

TOTAL: 1

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI).

NONE

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

NONE

NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Jan 19, 2023

Signature: /s/Gustava Winters

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on January 17, 2023 at the address(es) listed below:

Name	Email Address
Barbra Rachel Parlin	on behalf of Creditor Silvergate Bank barbra.parlin@hklaw.com elvin.ramos@hklaw.com;glenn.huzinec@hklaw.com,HAPI@HKLAW.COM;hapi@hklaw.com;jjalemany@hklaw.com;vincent.foley@hklaw.com
Brett S. Theisen	on behalf of Unknown Role Type Ankura Trust Company LLC btheisen@gibbonslaw.com, nmitchell@gibbonslaw.com
Carol L. Knowlton	on behalf of Creditor George J. Gerro cknowlton@gorskiknowlton.com
Carrie J. Boyle	on behalf of Creditor Ge Song cboyle@b-vlaw.com tking@b-vlaw.com;cvitullo@b-vlaw.com;lgrigley@b-vlaw.com;cjbefc@gmail.com;kgresh@mpadlaw.com;tegner@mpadlaw.co

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Total Noticed: 1

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